

INDIANA BOARD OF TAX REVIEW
Small Claims
Final Determination
Findings and Conclusions

Petition No.: 33-016-18-1-5-01086-18
Petitioner: Beacon Enterprises, LLC
Respondent: Henry County Assessor
Parcel: 33-12-10-340-176.000-016
Assessment Year: 2018

The Indiana Board of Tax Review (Board) issues this determination, finding and concluding as follows:

Procedural History

1. The Petitioner initiated its 2018 assessment appeal with the Henry County Assessor on April 11, 2018.
2. On September 7, 2018, the Henry County Property Tax Assessment Board of Appeals (PTABOA) issued its determination denying the Petitioner any relief.
3. The Petitioner timely filed a Petition for Review of Assessment (Form 131) with the Board, electing the Board's small claims procedures.
4. On June 20, 2019, Administrative Law Judge (ALJ) Dalene McMillen held the Board's administrative hearing. Neither the Board nor the ALJ inspected the property.
5. Certified tax representative John Johantges appeared for the Petitioner. Attorney Ayn Engle appeared for the Respondent. Certified general appraiser Daniel Semler was sworn as a witness for the Petitioner.¹ Nexus Group employee Larry Perry was sworn as a witness for the Respondent.

Facts

6. The property under appeal is a "converted duplex rental home with an apartment over the detached garage" located at 707 Spring Street #709 in New Castle.
7. The PTABOA determined the total assessment is \$70,400 (land \$6,700 and improvements \$63,700).
8. The Petitioner requested a total assessment of \$25,000 (land \$6,700 and improvements \$18,300).

¹ Beacon Enterprises, LLC, managing partner Nick Bondar was sworn but did not testify.

Record

9. The official record for this matter is made up of the following:

a) A digital recording of the hearing.

b) Exhibits:

- Petitioner Exhibit 1: 2018 subject property record card,
Petitioner Exhibit 2: Residential Appraisal Report of the subject property prepared by certified general appraiser Daniel Semler with an effective date of December 13, 2017,
Petitioner Exhibit 3: Spreadsheet of comparable sales.
- Respondent Exhibit A: 2018 subject property record card,
Respondent Exhibit B: Respondent's gross rent multiplier (GRM) and value per unit sale price analysis,²
Respondent Exhibit E: Henry County 2017 Income Valuation Worksheet for the subject property (**CONFIDENTIAL**),
Respondent Exhibit F: Bestplaces.net for New Castle, Indiana housing market,
Respondent Exhibit G: Residential Appraisal Report of the subject property prepared by certified general appraiser Daniel Semler with an effective date of December 13, 2017,
Respondent Exhibit H: Sales disclosure forms for the following properties:
 - 1503 South 20th Street, New Castle, dated November 23, 2015,
 - 1503 South 20th Street, New Castle, dated August 7, 2017,
 - 1703 Plum Street, New Castle,
 - 2003 Walnut Street, New Castle,
 - 1513 South 20th Street, New Castle,
 - 223 South 12th Street, New Castle,
- Respondent Exhibit I: Property record cards for the following properties:
 - 1503 South 20th Street, New Castle,
 - 1703 – 1705 Plum Street, New Castle,
 - 2003 Walnut Street, New Castle,
 - 211 North 17th Street, New Castle,
 - 1513 South 20th Street, New Castle,
 - 223 South 12th Street, New Castle,
- Respondent Exhibit K: 2016, 2017, and 2018 "SDF online search" for parcel; #33-12-11-330-210.000-016.

² The Respondent's exhibit coversheet listed Respondent's Exhibits C, D, and J, but the Respondent did not submit these exhibits into the record, and the Board will not consider them.

- c) The record also includes the following: (1) all pleadings and documents filed in this appeal; (2) all orders and notices issued by the Board or ALJ; and (3) these findings and conclusions.

Objections

10. Ms. Engle objected to Petitioner's Exhibit 3, the spreadsheet of comparable sales, on the grounds the Petitioner failed to timely provide a copy prior to the hearing even though it was requested. The ALJ took the objection under advisement.
11. The Board's small claims procedural rules provide that, if requested, "the parties shall provide to all other parties copies of any documentary evidence and the names and addresses of all witnesses intended to be presented at the hearing at least five (5) business days before the small claims hearing." 52 IAC 3-1-5(d). The rules further provide that failure to comply with that requirement "may serve as grounds to exclude evidence or testimony that has not been timely provided." 52 IAC 3-1-5(f) (emphasis added).
12. The purpose of this requirement is to allow parties to be informed, avoid surprises, and promote an organized, efficient, fair consideration of cases. Here, Ms. Engle identified that Petitioner's Exhibit 3 was not exchanged. The Petitioner did not dispute this claim. Because the Petitioner failed to provide a copy of this exhibit prior to the hearing, as the Respondent expressly requested, the Respondent's objection is sustained and Petitioner's Exhibit 3 is excluded. The Board notes the exclusion of this exhibit does not affect the Board's final determination.
13. Mr. Johantges objected to Respondent's Exhibit K, the SDF online search, on the grounds it is irrelevant. In response, Ms. Engle argued the information was from the state's website and the purpose of the exhibit was to establish that anyone could search for sales for any year on any parcel. Mr. Johantges' objection goes more to the weight of the exhibit rather than its admissibility. Accordingly, the Board overrules the objection and the exhibit is admitted into the record.

Contentions

14. Summary of the Petitioner's case:
- a) The subject property is over-assessed. In support of this argument, the Petitioner offered a Uniform Standards of Professional Appraisal Practice (USPAP) compliant appraisal prepared by certified general appraiser Daniel L. Semler.³ Mr. Semler valued the property utilizing both the sales comparison and income approaches to

³ In response to questioning, Mr. Semler testified he did not renew his Indiana appraisal license when it expired on June 30, 2018.

value. Based on his appraisal, Mr. Semler estimated the total value of the property to be \$25,000 as of December 13, 2017.⁴ *Semler testimony; Pet'r Ex. 2.*

- b) Mr. Semler testified the subject property is located in an older neighborhood, where most of the sales in recent years have been real estate owned (REO). According to Mr. Semler, a month prior to the effective date of his appraisal, only three homes sold in the subject property's neighborhood, and only one of those properties "sold for more than \$24,900." *Semler testimony.*
- c) The subject property is an old single-family home with two units that are currently occupied. There is also an apartment located over an older garage. The units have updated bathrooms, kitchens, and modern furnaces. The home has older windows with metal storms that should be replaced. The home also has older floor coverings, roof, plaster, and trim. The units have ranges, ovens, and refrigerators. The home has the typical awkward floor plan for this type of property. For properties of this type it is hard to get financing. Typically such a sale requires a cash buyer because the property does not have good marketability. *Semler testimony; Pet'r Ex. 2.*
- d) In developing his sales comparison approach, Mr. Semler selected five comparable properties within a one-mile radius of the subject property. The properties sold between May 11, 2015, and March 28, 2017. The sale prices ranged from \$15,000 to \$25,500. Adjustments were made to account for condition, lot size, gross living area, bathrooms and lack of appliances.⁵ The room count and gross living area included the garage apartment. Based on this approach, Mr. Semler calculated the value to be \$25,000. *Semler testimony; Pet'r Ex. 2.*
- e) Mr. Semler testified in his sales comparison approach that the subject property has an older 4-car garage and the apartment above the garage does not contribute much to the value of the property. Therefore, he adjusted the comparable garages at a rate of \$2,000, because they were older and in less than normal condition.⁶ *Semler testimony; Pet'r Ex. 2.*
- f) Mr. Semler also developed an income approach using the GRM method. Mr. Semler developed his GRM by dividing sales prices by monthly or annual rent. The final value is derived by multiplying the monthly or annual rent of the subject property by the GRM. However, he found the GRM approach to be unreliable because it is unknown whether the properties are occupied and it is difficult to verify the rents and sometimes the sales prices. Mr. Semler multiplied the subject property's monthly income of \$1,543 by the GRM of 16 to arrive at a value of \$24,688. *Semler testimony; Pet'r Ex. 2.*

⁴ The appraisal report states the subject's property address as 709 Spring Street. According to the property record card the actual address is 707 Spring Street #709.

⁵ Mr. Semler testified he did not apply any appreciation based on the sale date because "this type of property I do not feel has appreciated." *Semler testimony.*

⁶ Mr. Semler testified that he did not apply the \$2,000 positive garage adjustment to comparable four. However, he testified this would not change his final estimate of value. *Semler testimony; Pet'r Ex. 2.*

- g) Mr. Semler gave greater weight to the sales comparison approach and ultimately reached a final estimate of value of \$25,000 as of December 13, 2017. *Semler testimony; Pet'r Ex. 2.*
- h) In response to questioning about the appraisal, Mr. Semler stated the following:
- For the GRM approach he considered fourteen properties. He inspected the exterior of the comparable properties and relied on multiple listing sheets. For this reason he was unaware of the condition of the interior of the properties. Additionally, he stated you do not always receive accurate information on the rents of the comparable properties, so that would render the GRM approach not as reliable.
 - Rental garages are not considered as valuable as a garage associated with a single-family home. The reason for this is because renters do not typically have an extra \$200 or \$300 a month to spend for a garage.
 - Multi-unit rental properties are “running” at 70% to 80% occupancy. Whereas, several years ago occupancy rates were only 40% to 50%, so it has slightly improved in 2017. With that being said, the occupancy rate does not make much difference in the value of a property because the income derived from the occupancy is not guaranteed.

Semler testimony; Pet'r Ex. 2.

- i) Mr. Semler explained that the he also presented the PTABOA with an appraisal on the subject property valuing the property at \$25,000 as of December 13, 2017. Included in the PTABOA appraisal was the \$15,000 sale of the 211 North 17th Street property. This sale was not included in the appraisal provided to the Board. According to Mr. Semler, this particular property is owned by the Petitioner and was included in the PTABOA appraisal by mistake. Mr. Semler testified that removing this sale from the appraisal presented to the Board has no effect on his final estimate of value. *Semler testimony (referencing Resp't Ex. G, I).*

15. Summary of the Respondent's case:

- a) The subject property is correctly assessed. The property was valued at \$70,400 in 2018 based on the the income capitalization approach. *Perry testimony; Resp't Ex. A, E.*
- b) In an effort to support the current assessment, Mr. Perry also calculated the value using the GRM method and sale per unit price approach. Mr. Perry pointed out that while the GRM is the preferred method for assessing rental properties of four units or less, it is not the exclusive method. *Perry testimony; Resp't Ex. B.*

- c) Mr. Perry analyzed six comparable properties, three of which were also used in the Petitioner's appraisal. The properties sold between May 14, 2015, and August 31, 2017, and are located within 2 miles of the subject property.⁷ He applied a conservative 2% per year appreciation for the time adjustment to the properties that sold in 2015 and 2016. Next, he divided the adjusted sale price by the number of units to arrive at a price per unit. He also calculated the sale price per bedroom. The median rent per multi-unit of \$425 was calculated using rental sheets collected in the Assessor's office. Mr. Perry determined the GRM by dividing the sale price by the median rent for each comparable property. *Perry testimony; Resp't Ex. B, F.*
- d) Mr. Perry also pointed out that while researching sales of rental properties, he found that rental properties that were fully occupied at the time they sold, normally sold for more than those that were half-occupied or vacant. For example, the property located at 721 Spring Street was fully occupied at the time of sale and sold on July 14, 2016, for \$43,605. While the property located at 1513 South 20th Street was vacant on the sale date of March 16, 2016, and sold for \$15,000. *Perry testimony; Resp't Ex. B.*
- e) Using the GRM method, Mr. Perry determined a January 1, 2018, value of \$40,900 for the subject property. His sales approach per unit yielded a value of \$33,000. *Perry testimony; Resp't Ex. B.*
- f) The Petitioner's appraisal is flawed for the following reasons:
- The appraiser used properties that sold in 2015, 2016, and early 2017, but failed to adjust the sales to the relevant January 1, 2018, valuation date.
 - The appraisal indicates the property located at 1503 South 20th Street sold on November 23, 2015, for \$22,000. This same property sold on August 7, 2017, for \$55,000. But the appraiser failed to use the later sale even though the effective date of the appraisal was December 13, 2017. According to Mr. Perry, the state's website provides that anyone can put in a parcel number, for any year and see if there is a sales disclosure form on file.⁸
 - The appraisal submitted to the Board differs from the appraisal submitted to the PTABOA. The appraiser omitted the \$15,000 sale of the 211 North 17th Street property in the appraisal submitted to the Board. Removing a \$15,000 sale from an appraisal would have an effect on the final estimate of value.
 - The appraiser made no site adjustment to comparables 3, 4, and 5. Comparable 3 is a larger lot than the subject property. While comparables 4 and 5 are smaller lots. Mr. Perry claims that rather than make any site adjustment the appraiser

⁷ According to Respondent's Exhibit B, the property located at 1218 South 18th Street sold on "42767." In response to questioning, Mr. Perry testified the sale occurred on January 31, 2017. *Perry testimony; Resp't Ex. B.*

⁸ To prove this point, the Respondent submitted a state website search for Beacon Enterprises, LLC, parcel #33-12-11-330-210.000-016 located at 211 North 17th Street for 2016, 2017, and 2018. The search revealed that this property has not sold in 2016, 2017, or 2018. *Perry testimony; Resp't Ex. I, K.*

should compare the subject property and comparable properties based on a per unit rental basis, because a potential investor would be buying the property based on its potential income rather than the site.

- The appraisal contained several inconsistencies in the adjustments made to account for the differences in the number of bathrooms. The subject property has 3.1 bathrooms. If a comparable property had 4 bathrooms the appraiser subtracted \$1,000. If a comparable property had 2 bathrooms the appraiser added \$2,500. When there was only a half bath difference, he deducted \$500.
- Finally, the appraiser failed to provide sales disclosure forms or property record cards to show the comparable properties used in his appraisal report were arm's length transactions and not foreclosures. He failed to establish the interiors of the comparable properties were similar, as he only inspected the exterior of the comparable properties. And he did not identify whether the properties were rented or vacant at the time of sale.

Engle argument (referencing Pet'r Ex. 2); Perry testimony; Resp't Ex. G, H, K.

Burden of Proof

16. Generally, the taxpayer has the burden to prove that an assessment is incorrect and what the correct assessment should be. *See Meridian Towers East & West v. Washington Twp. Ass'r*, 805 N.E.2d 475, 478 (Ind. Tax Ct. 2003); *see also Clark v. State Bd. of Tax Comm'rs*, 694 N.E.2d 1230 (Ind. Tax Ct. 1998). The burden-shifting statute as amended by P.L. 97-2014 creates two exceptions to that rule.
17. First, Ind. Code § 6-1.1-15-17.2 “applies to any review or appeal of an assessment under this chapter if the assessment that is the subject of the review or appeal is an increase of more than five percent (5%) over the assessment for the same property for the prior tax year.” Ind. Code § 6-1.1-15-17.2(a). “Under this section, the county assessor or township assessor making the assessment has the burden of proving that the assessment is correct in any review or appeal under this chapter and in any appeal taken to the Indiana board of tax review or to the Indiana tax court.” Ind. Code § 6-1.1-15-17.2(b).
18. Second, Ind. Code § 6-1.1-15-17.2(d) “applies to real property for which the gross assessed value of the real property was reduced by the assessing official or reviewing authority in an appeal conducted under IC 6-1.1-15.” Under those circumstances, “if the gross assessed value of real property for an assessment date that follows the latest assessment date that was the subject for an appeal described in this subsection is increased above the gross assessed value of the real property for the latest assessment date covered by the appeal, regardless of the amount of the increase, the county assessor or township assessor (if any) making the assessment has the burden of proving that the assessment is correct.” Ind. Code § 6-1.1-15-17.2(d). The assessor may also have the burden of proof if the assessment increased by any amount after a taxpayer successfully appealed the prior year's assessment, unless the assessor valued the property using the

income capitalization approach. This change was effective March 25, 2014, and has application to all appeals pending before the Board.

19. Here, according to the property record card the assessed value of the subject property increased by more than 5% from 2017 to 2018. In fact, the total assessment increased from \$54,300 in 2017 to \$70,400 in 2018. The Respondent argued that the burden shifting provision does not apply because the subject property was valued using the income capitalization approach. Our ALJ preliminarily ruled the Petitioner bore the burden of proof. But the income capitalization exception the Respondent relied on only relieves an assessor of the burden of proof if the burden is shifting under subsection 17.2(d). Here, there is no evidence indicating the Petitioner successfully appealed its 2017 assessment. And valuing the property using the income capitalization approach does not prevent the burden from shifting under subsections 17.2(a) and (b). Because the subject property's assessment increased by more than 5% between 2017 and 2018, the Respondent bears the burden of proof. To the extent the Petitioner requests an assessment below the 2017 level of \$54,300 it has the burden to prove the lower value.

Analysis

20. The Respondent failed to make a prima facie case. To the extent the Petitioner sought a lower value, it made a prima facie case for lowering the assessment to the value indicated in its appraisal.
 - a) Indiana assesses real property based on its "true tax value," which is determined under the rules of the Department of Local Government Finance (DLGF). Ind. Code § 6-1.1-31-5(a); Ind. Code § 6-1.1-31-6(f). "True tax value" does not mean either "fair market value" or "the value of the property to the user." Ind. Code § 6-1.1-31-6(c) and (e). In accordance with these statutory directives, the DLGF defines "true tax value" as "market value-in-use," which it in turn defines as "[t]he market value-in-use of a property for its current use, as reflected by the utility received by the owner or by a similar user, from the property." 2011 REAL PROPERTY ASSESSMENT MANUAL at 2.
 - b) The cost, sales-comparison, and income approaches are three generally accepted ways to determine true tax value. MANUAL at 2. In an assessment appeal, parties may offer any evidence relevant to a property's true tax value, including appraisals prepared in accordance with generally accepted appraisal principles. *Id.* at 3; *Eckerling v. Wayne Twp. Ass'r*, 841 N.E.2d 674, 678 (Ind. Tax Ct. 2006) (reiterating that a market value-in-use appraisal that complies with USPAP is the most effective method for rebutting an assessment's presumed accuracy). Regardless of the method used, a party must explain how the evidence relates to the relevant valuation date. *O'Donnell v. Dep't of Local Gov't Fin.*, 854 N.E.2d 90, 95 (Ind. Tax Ct. 2006); *see also Long v. Wayne Twp. Ass'r*, 821 N.E.2d 466, 471 (In. Tax Ct. 2005). For 2018 assessments, the valuation date was January 1, 2018. *See* Ind. Code § 6-1.1-2-1.5.

- c) The burden was on the Respondent to prove the 2018 assessment is correct. In an effort to support the current assessment, the Respondent claimed the property was valued based on the income capitalization approach. However, the Respondent failed to present any evidence of the rents used, vacancy rates, expenses deducted, or any reference to the capitalization rate utilized in developing the assessment. As part of making a prima facie case “it is the taxpayer’s duty to walk the [Board] through every element of [its] analysis.” *Long*, 821 N.E.2d at 471 (quoting *Clark v. Dep’t of Local Gov’t Fin.*, 779 N.E.2d 1277, 1282 n. 4 (Ind. Tax Ct. 2002)). This requirement applies equally to an assessor bearing the burden. In this case, the Respondent failed to adequately explain how it arrived at its opinion of value using the income capitalization approach it employed.
- d) The GRM, as the Respondent pointed out, is the “preferred” method of valuing properties with between one and four residential rental units. Ind. Code § 6-1.1-4-39(b). Indiana has not defined the term GRM by statute or regulation, but it is a commonly used appraisal term. The GRM method develops an income multiplier by looking to market data for sales of comparable income-producing properties and calculates the ratio of the sale price to the gross income at the time of sale. An opinion of value can then be calculated by multiplying the GRM by the annual income base for the subject property.
- e) The GRM eliminates the complex value adjustments required by the sales-comparison approach by assuming differences between the properties are reflected in their respective rental rates. However, in order to derive and apply a reliable GRM for valuation purposes the properties analyzed must still be comparable to the subject property and to one another in terms of physical, location, and investment characteristics. To establish that properties are comparable, a party must identify the characteristics of the subject property and explain how those characteristics compare to the characteristics of the purportedly comparable properties. *Long*, 821 N.E.2d at 471. Specific reasons must be provided as to why a proponent believes a property is comparable. Conclusory statements that a property is “similar” or “comparable” to another property do not constitute probative evidence of the comparability of two properties. *Id.* at 470.
- f) The Respondent presented an income approach utilizing the GRM method. While the GRM method can produce reliable results, the income data used must be consistent. In this case, however, the Respondent failed to establish that the rental rates relied on to calculate the multiplier were reflective of the same type of income data.
- g) Other than providing a basic description of the six purportedly comparable properties used to calculate the multiplier and median rent, the Respondent did little to identify their relevant characteristics or compare them to the subject property. Furthermore, while the properties may all be rentals, the Respondent failed to offer any meaningful testimony regarding their investment characteristics. In light of these considerations, the Respondent’s GRM calculation lacks probative value.

- h) The Respondent also presented a sale price per unit calculation relying on six purportedly comparable properties. This calculation resulted in a total value of \$33,000. A sales comparison approach “estimates the total value of the property directly by comparing it to similar, or comparable, properties that have sold in the market.” MANUAL at 3. In order to effectively use the sale-comparison approach as evidence in property assessment appeals, the proponent must establish the comparability of the properties being examined. Conclusory statements that a property is “similar” or “comparable” to another property do not constitute probative evidence of the comparability of the two properties. *Long*, 821 N.E.2d at 470. Instead, the proponent must identify the characteristics of the subject property and explain how those characteristics compare to the characteristics of the purportedly comparable properties. *Id.* at 471. Similarly, the proponent must explain how any differences between the properties affect their relative market values-in-use.
- i) While Mr. Perry considered six properties located in close proximity to the subject property, he failed to offer sufficient evidence relating their specific features and amenities to the subject property. More importantly, Mr. Perry made no attempt to make adjustments for any relevant differences between the subject property and the comparable properties. Mr. Perry’s evidentiary presentation therefore falls short of providing the level of analysis contemplated by *Long*.
- j) For these reasons, the Respondent failed to make a prima facie case that the 2018 assessment is correct. The Petitioner is therefore entitled to have the 2018 assessment reduced to its 2017 level of \$54,300. That does not end the Board’s inquiry, however, because the Petitioner sought a lower value.
- k) The Petitioner offered a USPAP-compliant appraisal performed by certified general appraiser Daniel Semler. In completing his appraisal, Mr. Semler developed the sales comparison approach and income approach. He ultimately valued the property at \$25,000 as of December 13, 2017. Even though the appraisal’s effective date is approximately 18 days prior to the relevant valuation date, it is close enough to be probative. An appraisal performed in conformance with generally recognized appraisal principles is often enough to establish a prima facie case. *Meridian Towers*, 805 N.E.2d at 479.
- l) In an effort to impeach the appraisal, the Respondent argued the appraisal was flawed for the following reasons: Mr. Semler did not identify whether the comparable properties were rented or vacant at the time of sale; he failed to time adjust the comparable properties’ sale dates to date of appraisal; he failed to adjust some of the comparable properties for the size of their sites; the adjustments made are inconsistent; and he used an incorrect sale price on the comparable property located at 1503 South 20th Street.⁹ The Board will examine these criticisms in turn.

⁹ The Respondent examined three of the same properties as Mr. Semler. Further, the Respondent’s sales comparison yielded a value of \$33,000, a value of only \$8,000 above Mr. Semler’s appraised value. *Pet’r Ex. 2; Resp’t Ex. B.*

- m) The Board agrees that Mr. Semler’s adjustments and lack of detail regarding purportedly comparable properties hurts his credibility. The Respondent mainly criticized the appraisal report on the grounds that Mr. Semler used an incorrect sale price on the property located at 1503 South 20th Street. Mr. Semler used a November 23, 2015, sale price of \$22,000, while the Respondent’s evidence indicates this property sold again on August 7, 2017, for \$55,000. Mr. Semler was unable to articulate why he did not use the later sale date. While this fact further detracts from the creditability of Mr. Semler, it does not render the appraisal useless. The Respondent also argued Mr. Semler failed to supply substantial evidence on why he did not apply an adjustment for all the various site sizes. Again, this detracts from his credibility. The Respondent pointed out that Mr. Semler did not “know” whether the comparable properties were vacant or rented or whether it would ultimately affect the sale prices in any way. In response to this attack, Mr. Semler testified that in his opinion the occupancy rate does not make much difference in the value of a property because the income derived from the occupancy is not guaranteed. The Board recognizes that the appraisal process requires expertise and most often involves issues that are a matter of opinion, rather than questions with a correct or incorrect answer.
- n) The Respondent also argued Mr. Semler did not adjust the sales of the purportedly comparable properties to the relevant valuation date. While Mr. Semler did not time adjust any of the sales, he opined that no appreciation is warranted on these types of properties. This is well within the expertise of a licensed appraiser. While the Board agrees the appraisal has flaws, and Mr. Semler’s credibility has undoubtedly been called into question, the USPAP-complaint appraisal is still probative of the value. Additionally, the Respondent failed to offer any probative evidence that would have led to a different value conclusion. The Respondent merely attempted to poke holes in the appraisal.
- o) Consequently, the Respondent failed to impeach or rebut the appraisal. Thus, the Board finds the appraisal the most probative evidence of the subject property’s value.

Conclusion

- 21. The Respondent had the burden of proving the 2018 assessment was correct. The Respondent failed to make a prima facie case and the assessment must be reduced to the previous year’s level of \$54,300. The Petitioner sought a lower value and made a prima facie case by presenting a USPAP-compliant appraisal. Accordingly, the 2018 assessment must be reduced to the appraised value of \$25,000.

Final Determination

In accordance with the above findings and conclusions, the 2018 assessment must be reduced to \$25,000.

ISSUED: September 17, 2019

Chairman, Indiana Board of Tax Review

Commissioner, Indiana Board of Tax Review

Commissioner, Indiana Board of Tax Review

- APPEAL RIGHTS -

You may petition for judicial review of this final determination under the provisions of Indiana Code § 6-1.1-15-5 and the Indiana Tax Court's rules. To initiate a proceeding for judicial review you must take the action required not later than forty-five (45) days after the date of this notice. The Indiana Code is available on the Internet at <<http://www.in.gov/legislative/ic/code>>. The Indiana Tax Court's rules are available at <<http://www.in.gov/judiciary/rules/tax/index.html>>.